TENNESSEE GENERAL ASSEMBLY
FISCAL REVIEW COMMITTEE

FISCAL MEMORANDUM

SB 602 - HB 905

March 15, 2022

SUMMARY OF BILL AS AMENDED (015900): Requires each welcome center operated by the Department of Tourist Development (DTD) and each safety rest area that provides restrooms for use by the public to contain and provide access to at least one powered, height-adjustable, adult-sized changing table in a single occupancy restroom that is universal to gender and available to the public. Requires the location of the restroom containing the changing table to be conspicuously displayed at the entrance of the place that houses the restroom. Requires any necessary renovations to be completed by January 1, 2028. Requires that if such facilities cannot be completed by this date, the Tennessee Department of Transportation (TDOT) must submit a letter to the Finance, Ways, and Means Committees.

Requires the Department of Intellectual and Development Disabilities (DIDD) to establish a grant program to support the installation of powered, height-adjustable, adult-sized changing tables in single occupancy family restrooms in privately and municipally owned buildings open to the public. Requires DIDD to award grants not to exceed $500,000 per award. Requires DIDD to allocate all grant awards no later than July 1 of the calendar year following the appropriation of funds. Requires, no later than November 1 of each year, DIDD to publish a report containing various information regarding any grants awarded. Requires DIDD to prioritize geographic diversity among the grand divisions and higher traffic facilities.

FISCAL IMPACT OF BILL AS AMENDED:

Increase State Expenditures –
$518,200/Each FY22-23 through FY26-27/Highway Fund
$259,100/FY27-28/Highway Fund
$500,000/FY22-23 and Subsequent Years/General Fund

Assumptions for the bill as amended:

- The buildings that house the welcome centers operated by DTD and the safety rest areas are within the portfolio of TDOT. The required renovations will be the responsibility of TDOT and the required funds will be expended from the Highway Fund.
- Based on information provided by TDOT, there are 15 such buildings that have an existing family restroom as described and will only require renovations to accommodate and install the changing tables. The estimate to renovate those buildings as required is $50,000 per building.

- The increase in state expenditures to TDOT for these buildings is estimated to be $750,000 (15 buildings x $50,000).
- There are 21 such buildings that do not have a family restroom as described, and will require new construction in addition to the installation of the changing tables. The estimate for the required construction for these buildings is $100,000 per building.
- The increase in state expenditures for buildings requiring new construction is estimated to be $2,100,000 (21 buildings x $100,000).
- The construction and renovation estimates include the cost of the changing tables.
- Therefore, the total increase in state expenditures to TDOT to bring all buildings into compliance is estimated to be $2,850,000 ($750,000 + $2,100,000).
- In order to meet the required January 1, 2028 deadline for compliance, it is assumed project planning and implementation will begin immediately and that work and expenditures will be spread evenly over the course of 5.5 fiscal years – FY22-23, FY23-24, FY25-25, FY25-26, FY26-27 and the first half of FY27-28.
- For the purposes of this analysis, it is assumed all renovations will be completed by the required date.
- Therefore, the total increase in state expenditures to the Highway Fund each fiscal year will be as follows:
    - $518,182 in FY22-23
    - $518,182 in FY23-24
    - $518,182 in FY24-25
    - $518,182 in FY25-26
    - $518,182 in FY26-27
    - $259,090 in FY27-28
- Based on information provided by DIDD, the department can develop and administer the grant program utilizing existing department resources and personnel.
- The only increase in expenditures will result from the grant awards.
- It is unknown how many grants DIDD may issue in a single fiscal year or what those grants may total in value.
- Because as many as 10 buildings ($500,000 award / $50,000 cost) could potentially be renovated within a single $500,000 award based on the TDOT provided estimates, and depending on what each building requires, it is assumed that DIDD will issue grants totaling $500,000 each fiscal year.
- It is unclear how long the proposed legislation intends for the grant program to endure.
- It is assumed to endure in perpetuity.
- Therefore, there is a recurring increase in state expenditures to DIDD estimated to be $500,000 in FY22-23 and subsequent years.
- The extent to which such funding will be provided to municipally owned buildings open to the public is unknown. However, it is assumed that any municipality receiving such funding will fully utilize all such funds for the purposes established under this legislation and that such construction and renovations would not be undertaken in the absence of this legislation in the near future. Therefore, the net impact on municipal finances will be not significant.

IMPACT TO COMMERCE OF BILL AS AMENDED:

Increase Business Revenue - $1,018,200/Each FY22-23 through FY26-27
$759,100/FY27-28
$500,000/FY28-29 and Subsequent Years

Increase Business Expenditures –
Up to $1,018,200/Each FY22-23 through FY26-27
Up to $759,100/FY27-28
Up to $500,000/FY28-29 and Subsequent Years

Assumptions for the bill as amended:

- It is assumed that TDOT and DIDD will contract with local private construction companies across the state to execute the required construction and renovations.
- Therefore, an increase in revenue to the construction industry estimated to be as follows:
  - $1,018,182 in FY22-23 ($518,182 + $500,000);
  - $1,018,182 in FY23-24 ($518,182 + $500,000);
  - $1,018,182 in FY24-25 ($518,182 + $500,000);
  - $1,018,182 in FY25-26 ($518,182 + $500,000);
  - $1,018,182 in FY26-27 ($518,182 + $500,000);
  - $759,100 in FY27-28 ($259,100 + $500,000);
  - $500,000 in FY28-29 and subsequent years.
- It is assumed that expenditures incurred by such construction companies will be less than revenue received for the construction and renovations.

CERTIFICATION:

The information contained herein is true and correct to the best of my knowledge.

Krista Lee Carsner

Krista Lee Carsner, Executive Director

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